

COPY

PIPER & MARBURY

L.L.P.

1200 NINETEENTH STREET, N.W.

WASHINGTON, D.C. 20036-2430

202-861-3900

FAX: 202-223-2085

WRITER'S DIRECT NUMBER

(202) 861-3949

FAX: (202) 223-2085

rcrittendon@pipermar.com

BALTIMORE

NEW YORK

PHILADELPHIA

EASTON

DOCKET FILE COPY ORIGINAL

October 5, 1998

RECEIVED

OCT - 5 1998

VIA HAND DELIVERY

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, DC 20554

98-91

**Re: In the Matters of Deployment of Wireline Services
Offering Advanced Telecommunications Capability, et al.**

Dear Ms. Salas:

On behalf of Transwire Communications, Inc. ("Transwire"), there is transmitted herewith an original and four copies of Transwire's "Opposition to Petitions for Reconsideration" in the above-referenced proceeding.

A "Return Copy" of this filing is also enclosed. Please date-stamp the "Return Copy" and return it to the courier delivering this package.

If there are any questions regarding this filing, please contact the undersigned counsel.

Sincerely,



Renée Roland Crittendon

RRC/deb
Enclosures

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

RECEIVED

OCT - 5 1998

**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

In the Matters of

**Deployment of Wireline Services Offering
Advanced Telecommunications Capability,
et al.**

)
)
)
)
)

**CC Docket Nos. 98-147,
98-11, 98-26, 98-32, 98-15,
98-78, and 98-91 and CCB/
CPD; No. 98-15 RM 9244**

**OPPOSITION OF TRANSWIRE COMMUNICATIONS, INC.
TO PETITIONS FOR RECONSIDERATION**

Randall B. Lowe
Julie A. Kaminski
Renée Roland Crittendon
J. Todd Metcalf
PIPER & MARBURY, L.L.P.
1200 Nineteenth Street, N.W.
Suite 700
Washington, D.C. 20036
(202) 861-3900

Dated: October 5, 1998

Summary of the Argument

Transwire believes the Petitioners provide no compelling basis for the Commission to reconsider its *Advanced Order* with regard to its decision to require ILECs to “condition” existing loop facilities, and its conclusion that Section 706 of the Telecommunications Act of 1996 contains no separate grant of forbearance authority. Petitioners essentially revisit arguments the Commission has already considered and rejected, and offer nothing new to support their pleas for reconsideration.

In particular, the Commission’s requirement that ILECs provide “conditioned” loops for the transmission of high speed data signals is not a request for “superior quality interconnection,” but rather a directive to modify existing loop facilities to provide a basic unencumbered loop. Such modifications to ILEC facilities were plainly contemplated by the Eight Circuit Court which expressly authorized the Commission to require modifications to incumbent LEC facilities to the extent necessary to accommodate interconnection or access to network elements. Moreover, because ILECs are currently deploying or preparing to deploy various ADSL-based applications which require “conditioned” loops for the provision of that service, the Commission is not requiring ILECs to provide competitive carriers with anything they are not already providing or plan to provide to themselves. In any event, without access to the “conditioned” loop, competitive carriers seeking to deploy various technologies for the provision of advanced services will be locked out of the marketplace. Such a result is in direct contravention of the 1996 Act’s objective to open up telecommunications markets, including the advanced services market, to competition.

Finally, nothing in Section 706 of the 1996 Act suggests a path around the key competitive safeguards embodied in Sections 251(c) and 271. Rather, Section 706 simply permits the Commission to utilize its forbearance authority, as well as a host of other regulatory devices, in order to promote advanced telecommunications deployment. This statutory construction is consistent with the procompetitive provisions of the 1996 Act and supports the congressional mandate to stimulate investment in the telecommunications market to ensure new entrants enter the market on equal footing with incumbents.

Accordingly, Transwire urges the Commission to affirm that portion of its *Advanced Order* that requires ILECs to affirmatively “condition” existing loop facilities for the provision of advanced services, and reaffirm its conclusion that Section 706 does not provide the Commission with independent authority to forbear from applying the 1996 Act’s requirements on ILECs.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

**OPPOSITION OF TRANSWIRE COMMUNICATIONS, INC.
TO PETITIONS FOR RECONSIDERATION**

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
Summary of Arguments	i
I. Introduction	2
II. The Requirement That ILECs Provide "Conditioned" Loops For The Transmission Of High Speed Data Signals Is In Line With Judicial Precedent, Well Within The Authority Of The Commission, And Consistent With The Public Interest.	4
III. Section 706 Should Be Considered In Conjunction With The Other Procompetitive Provisions Of The 1996 Act, And Interpreted To Support The Congressional Mandate Embodied By The 1996 Act.	8
Conclusion	14

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matters of)	
)	
Deployment of Wireline Services Offering)	CC Docket Nos. 98-147,
Advanced Telecommunications Capability,)	98-11, 98-26, 98-32, 98-15,
<u>et al.</u>)	98-78 , 98-91 and CCB/ CPD; No. 98-15 RM 9244

**OPPOSITION OF TRANSWIRE COMMUNICATIONS, INC.
TO PETITIONS FOR RECONSIDERATION**

Transwire Communications, Inc. ("Transwire"), by and through counsel, hereby opposes the "Petition for Reconsideration" of SBC Communications Inc., Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell (jointly "SBC"), and the "Petition for Partial Reconsideration or, Alternatively, for Clarification" of the Bell Atlantic telephone companies ("Bell Atlantic") filed in the above-referenced proceeding.¹

¹

Petition for Reconsideration of SBC Communications Inc., Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell (filed September 8, 1998) ("SBC Petition"); Petition of Bell Atlantic for Partial Reconsideration or, Alternatively, for Clarification (filed September 8, 1998) ("Bell Atlantic Petition") (jointly "Petitioners"). The Bell Atlantic telephone companies include Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company. Transwire files this Opposition pursuant to the Federal Communications Commission's ("FCC" or "Commission") September 18, 1998 *Public Notice* (Corrected Report No. 2297).

I. Introduction

Petitioners challenge two issues outlined in the Commission's recent *Memorandum Opinion and Order* concerning the deployment of advanced telecommunications capability.² First, Petitioners contend that the Commission's determination that incumbent local exchange carriers ("ILECs") must condition existing loop facilities to allow requesting competitive carriers to provide services over such facilities is inconsistent with the Eighth Circuit's decision in *Iowa Utilities Bd. v. FCC*, 120 F.3d 753 (8th Cir. 1997), cert. granted, 118 S.Ct. 879 (1998).³ Second, Petitioners argue that Section 706 of the Telecommunications Act of 1996 (the "1996 Act"),⁴ provides the Commission with independent authorization to forbear from applying requirements of the 1996 Act, including Sections 251(c) and 271⁵ on ILECs.⁶ Petitioners request that the Commission vacate or clarify its *Advanced Order* in so far as it requires ILECs to "condition" existing loop facilities, and reconsider its conclusion that Section 706 contains no separate grant of forbearance authority.⁷

As discussed more fully below, Petitioners provide no compelling basis for the Commission to reconsider its *Advanced Order* with regard to these issues. To begin with, SBC's

² In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability, et al., Memorandum Opinion and Order, and Notice of Proposed Rulemaking, CC Docket Nos. 98-147, et al., FCC 98-188 (rel. August 7, 1998) ("*Advanced Order*").

³ SBC Petition at 1-2; Bell Atlantic Petition at 3.

⁴ Pub.L. 104-104, Title VII, § 706, Feb. 8, 1996, 110 Stat. 153, codified at 47 U.S.C. § 157 note (1996).

⁵ 47 U.S.C. §§ 251(c), 271 (1996).

⁶ SBC Petition at 5-9, Bell Atlantic Petition at 6.

and Bell Atlantic's pleadings consist, in large measure, of a rehashing of their petitions for relief from regulation under the 1996 Act – arguments that have been extensively addressed and, in Transwire's opinion, properly rejected by the Commission.⁸ Curiously, Petitioners now request that the Commission forbear from applying the requirements of the 1996 Act to “promote competition and the deployment of advanced services that would benefit all Americans.”⁹ In the same breath, SBC and Bell Atlantic deny their obligation to provide competitive local exchange carriers (“CLECs”) with unencumbered loops for the provision of those services--an obligation, without which, neither the entry of competitive carriers to the advanced services market, nor the rapid deployment of those services to the public, is attainable.¹⁰ In light of the foregoing, and for the reasons set forth below, Transwire urges the Commission to affirm that portion of its *Advanced Order* that requires ILECs to affirmatively “condition” existing loop facilities for the provision of advanced services, and reaffirm its conclusion that Section 706 does not provide the Commission with independent authority to forbear from applying the 1996 Act's requirements on ILECs.

(footnote continued from previous page)

⁷ SBC Petition at 9; Bell Atlantic Petition at 3, 7.

⁸ See e.g. Bell Atlantic Reply Comments at 4-9, CC Docket Nos. 98-11, 98-26, 98-32 (filed May 6, 1998).

⁹ Bell Atlantic Petition at 2; see also SBC Petition at 2.

¹⁰ We note that in its Petition (at 3), Bell Atlantic requests only that the Commission clarify that “its order requires nondiscriminatory access to unbundled loops, including to any conditioning that the local exchange carriers provide to themselves.”

II. The Requirement That ILECs Provide “Conditioned” Loops For The Transmission Of High Speed Data Signals Is In Line With Judicial Precedent, Well Within The Authority Of The Commission, And Consistent With The Public Interest.

SBC and Bell Atlantic contend that the Commission’s decision to require incumbent local exchange carriers (“ILECs”) to provide loops capable of transporting high speed data signals on an unbundled and nondiscriminatory basis is at odds with the Eighth Circuit’s Iowa Utilities Bd. decision.¹¹ In particular, SBC claims that the Commission may not require incumbent LECs to provide “conditioned” or unencumbered loops for requesting carriers because to do so would amount to the Commission imposing “superior quality requirements” on ILECs in contravention of the Court’s holding in Iowa Utilities Bd.¹² Transwire contends that this argument is without merit.

In particular, the Iowa Utilities Bd. Court was concerned with Sections 51.305(a)(4) and 51.311(c) of the Commission’s rules¹³ which required ILECs to provide access to unbundled network elements (“UNEs”) “at levels of quality that are superior to those levels at which the incumbent LECs provide these services to themselves, if requested to do so by competing carriers.”¹⁴ The Court found that neither Section 251(c)(2)(C) or Section 251(c)(3) of the 1996

¹¹ SBC Petition at 2-3, Bell Atlantic Petition at 3-4.

¹² SBC Petition at 3; see also Bell Atlantic Petition at 3-4.

¹³ 47 C.F.R. §§ 51.305(a)(4), 51.311(c).

¹⁴ Iowa Utilities Bd., 120 F.3d at 812.

Act mandated “superior quality access to network elements upon demand” and concluded that these provisions were not justified under the 1996 Act.¹⁵

As an initial matter, the Commission’s requirement that ILECs “condition existing loop facilities to enable requesting carriers to provide services not currently provided over such facilities”¹⁶ is not a request for a “superior *quality* interconnection,”¹⁷ but is instead a directive to offer the basic unencumbered loop, “free of loading coils, bridged taps, and other electronic impediments” for example, as in the case of digital subscriber line (“xDSL”) services.¹⁸ The Commission’s *Advanced Order* in no way obligates the ILEC to provide access to “unbuilt superior” networks,¹⁹ but simply identifies the *existing* local loop as a network element that must be unbundled at technically feasible points and modified, to the extent technically feasible, for the provision of advanced services.²⁰ In the case of Consumer Digital Modem (“CDM”) technology, for example, a high-speed asynchronous digital offering which Transwire proposes to utilize for its provision of advanced services, the Commission’s requirement merely entails the ILEC offering of a standard, (Plain Old Telephone Service “POTS”-capable) unbundled local loop; i.e., virtually any non-loaded cable pair.

¹⁵ Id. at 812-13.

¹⁶ *Advanced Order* at ¶ 53.

¹⁷ 120 F.3d at 812.

¹⁸ *Advanced Order* at ¶ 53.

¹⁹ Id. at 813.

²⁰ *Advanced Order* at ¶ 53.

In any event, to the extent a competitive carrier requests some loop modification or “conditioning” to enable it to provide services not currently provided over the loop, the Eighth Circuit Court explicitly contemplated modifications to ILEC facilities to accommodate the interconnection obligations of the 1996 Act; namely, nondiscriminatory access to the local loop, when it stated:

[a]lthough we strike down the Commission’s rules requiring incumbent LECs to alter substantially their networks in order to provide superior quality interconnection and unbundled access, **we endorse the Commission’s statement that ‘the obligations imposed by sections 251(c)(2) and 251(c)(3) include modifications to incumbent LEC facilities to the extent necessary to accommodate interconnection or access to network elements.’**²¹

Significantly, the Eighth Circuit did not strike down the Commission’s identification of the local loop as a network element that ILECs must unbundle “at any technically feasible point,”²² or the Commission’s definition of the local loop to include “two wire and four-wire loops that are “conditioned” to transmit the digital signals needed to provide services such as ISDN, ADSL, HDSL, and DS1-level signals.”²³ Quite to the contrary, the Eighth Circuit emphasized that Congress “invested the FCC with the authority to determine *which* network elements should be

²¹ 120 F.3d. at 813, n.33 (emphasis added).

²² Id. at ¶ 53.

²³ Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, 11 FCC Rcd 15499, 15691, ¶ 380, (1996) (“*Local Competition Order*”), *aff’d in part and vacated in part sub nom.*, Iowa Utils. Bd. v. FCC, 120 F.3d 753 (8th Cir. 1997), *cert. granted*, 118 S.Ct. 879 (1998) (Nos. 97-826 *et al.*).

made available to new entrants on an unbundled basis,”²⁴ and limited the FCC’s authority only insofar as the Commission must consider whether access to such networks elements is necessary, and whether the failure to provide such access “would impair the ability of the telecommunications carrier seeking access to provide the services that it seeks to offer.”²⁵ Accordingly, it is consistent with the Iowa Utilities Bd. decision and well within the authority of the Commission to require ILECs to modify or alter existing local loop facilities to “accommodate interconnection or access” for the transmission of advanced services.

Moreover, the Commission is not requiring ILECs to provide anything they do not provide to themselves and certainly not at “superior quality.” In fact the Commission’s “conditioned” local loop requirement has absolutely nothing at all to do with “quality” and everything to do with access – *equal access*. In particular, a number of ILECs are currently deploying or planning to deploy various ADSL- based applications over the next several months with new service rollouts being announced weekly. For example, ADSL Trials Worldwide indicates that Bell Atlantic plans rollouts in the fall to late 1998 in Northern Virginia, Fairfax County, Virginia, Washington, D.C., and Pittsburgh, Pennsylvania, with New Jersey, New York, New York and Boston metro areas to be added in 1999.²⁶

²⁴ Southwestern Bell Telephone Company v. FCC, No. 97-3576, No. 97-3663, No. 97-4106, 1998 U.S. App LEXIS 18352, at *9 (citing 47 U.S.C. A. §§ 153(29), 251(d)(2)) (“Southwestern Bell”).

²⁵ 47 U.S.C. § 251(d)(2) (1996); Southwestern Bell, 1998 U.S. App LEXIS at *9.

²⁶ *ADSL Trials Worldwide* (last modified Sept. 7, 1998) http://www.adsl.com/trial_matrix.html. The chart set forth therein also indicates that BellSouth was to begin deployment in Atlanta, Georgia, New Orleans, Louisiana, Birmingham, Alabama, and Jacksonville, Florida, among other cities.

The Eighth Circuit certainly could not have intended its limited “superior quality interconnection” holding to mean that ILECs may refuse to offer access to a basic unencumbered local loop for the provision of advanced services, where ILECs are obviously providing such loops for themselves.²⁷ Without question, the requirement that ILECs provide competing carriers with access to the same “conditioned” loop the ILEC provides itself, implements the Commission’s statutory mandate to stimulate “investment by all participants in the telecommunications marketplace, both incumbents and new entrants” by ensuring that new entrants enter the market on equal footing.²⁸ Without access to the “conditioned” loop, competitive carriers seeking to deploy CDM, xDSL and other technologies to enhance the quality and variety of telecommunications services available to the public will be locked out of the marketplace.

Accordingly, to ensure the rapid deployment of advanced telecommunications capability and services by competing providers, we urge the Commission to affirm its decision to require ILECs to “condition” existing loop facilities where technically feasible.

III. Section 706 Should Be Considered In Conjunction With The Other Procompetitive Provisions Of The 1996 Act, And Interpreted To Support The Congressional Mandate Embodied By The 1996 Act.

Petitioners’ arguments that Section 706 of the 1996 Act confers on the Commission independent forbearance authority run plainly contrary to the Act’s local competition provisions

²⁷ See 120 F.3d at 812 (noting that the Act “implicitly requires unbundled access . . . to an incumbent LEC’s existing network”).

²⁸ See *Advanced Order* at ¶ 1.

and must be given no weight. This effort by Petitioners to undercut Sections 251²⁹ and 271,³⁰ those provisions most fundamental in realizing the 1996 Act's stated goal of "promot[ing] competition,"³¹ should be summarily dismissed.

Contrary to Petitioners' assertions,³² the Commission's *Advanced Order* thoroughly discusses the relevant statutory and policy considerations and reaches the only sensible statutory interpretation of Section 706: there is no basis in Section 706 for independent forbearance authority.³³ Nevertheless, Petitioners essentially revisit arguments the Commission already has considered and rejected, and offer nothing new to support their plea for reconsideration.³⁴ Accordingly, Petitioners' plea must fail.

First, Transwire believes that granting the instant petitions will create results seriously inconsistent with the public interest and stated congressional intent. Significantly, Petitioners call upon the Commission to contravene directly the requirements of the 1996 Act, including those requirements set forth in Section 251(c) and 271.³⁵ In this regard, Petitioners argue³⁶ that

²⁹ 47 U.S.C. § 251 (1996).

³⁰ 47 U.S.C. § 271 (1996).

³¹ 47 U.S.C. § 157 note (1996).

³² See SBC Petition at 2, 5-9; Bell Atlantic Petition at 6.

³³ See *Advanced Order* at ¶¶ 69-79.

³⁴ Compare Petition of Bell Atlantic Corporation for Relief from Barriers to Deployment of Advanced Telecommunications Services, CC Docket 98-11, at 4-6, 10 with Bell Atlantic Petition at 6.

³⁵ SBC Petition at 8-9, Bell Atlantic Petition at 6.

³⁶ Id.

the forbearance standards enumerated in Section 10(d) of the 1996 Act do not restrict or limit the Commission's exercise of forbearance authority under Section 706.³⁷ However, nothing in the 1996 Act—whether the express statutory language of Section 706, or reasonable methods of statutory construction as applied to the Act—suggests such a path around the key competitive safeguards of the 1996 Act. Instead, Section 706 merely authorizes the Commission to encourage advanced telecommunications for “reasonable and timely” deployment, through regulatory measures that are “consistent with the public interest” and that “promote competition in the local telecommunications market.”³⁸ Section 706 entrusts the Commission with the ability to utilize “price cap regulation, regulatory forbearance, measures that promote competition in the local telecommunications market, or other regulatory measures that remove barriers to infrastructure investment.”³⁹ Accordingly, the language of Section 706 merely permits the Commission *to utilize* its forbearance authority, as well as a host of other regulatory devices, in order to promote advanced telecommunications deployment.

Notably, as Congress has made abundantly clear, the competitive safeguards of the 1996 Act may not be circumvented except as expressly provided in the Act itself; Section 706 offers no such path. Congress further expressed this mandate by specifically foreclosing any Commission action that veers from the express terms of Section 271: “LIMITATION ON COMMISSION – The Commission may not, by rule *or otherwise*, limit or extend the terms used

³⁷

Section 10(d) states: “Except as provided in section 251(f) of this title, the Commisison may not forbear from applying the requirements of section 251(c) or 271 of this title under subsection (a) of this section until it determines that those requirements have been fully implemented.” 47 U.S.C. § 160(d) (1996).

³⁸

47 U.S.C. § 157 note (1996).

in the competitive checklist.”⁴⁰ Furthermore, Congress expressly mandated that “the Commission may not forbear from applying the requirements of Section 251(c) or 271 under subsection (a) of this Section until it determines that those requirements have been fully implemented.”⁴¹ As the Commission correctly concluded from this statutory scheme and its underlying policy objectives, “[t]here is no language in section 10 that carves out an exclusion from this prohibition for actions taken pursuant to section 706.”⁴² Indeed, such a result is consistent with Congress’ objective of opening telecommunications markets, including the advanced services market, up to competition.

Certainly, Congress has articulated a policy in favor of deployment of advanced telecommunications services and crafted Section 10 to recognize only one other independent source of statutory forbearance authority: Section 332(c)(1)(A) of the 1996 Act.⁴³ Congress did not recognize Section 706 as an independent source of forbearance authority. Surely, if it had been Congress’ intention to create an independent basis for regulatory forbearance under

(footnote continued from previous page)

39

Id.

40

47 U.S.C. § 271(d)(4) (1996) (emphasis added).

41

47 U.S.C. § 160(d) (1996).

42

Advanced Order at ¶ 71-72.

43

Section 10(a) reads in pertinent part: “Notwithstanding section 332(c)(1)(A) of this Act, the Commission shall forbear from applying any regulation or provision of this Act . . . if the Commission determines that . . . enforcement . . . is not necessary to ensure that . . . charges, practices, classifications or regulations . . . are just and reasonable and are not unjustly or unreasonably discriminatory . . . ; [that] enforcement . . . is not necessary for the protection of consumers . . . ; and [that] forbearance . . . is consistent with the public interest.” 47 U.S.C. § 160(a) (1996).

Section 706, then Section 10(a) would have been crafted to reference *both* section 332(c)(1)(A) and Section 706 expressly. Rather, read in conjunction with Section 10, the Section 706 statutory language—“utilizing . . . regulatory forbearance”—merely permits the Commission to exercise its Section 10 forbearance authority, among other permissible deregulatory tools, to promote advanced telecommunications.

Furthermore, as cited above, Section 271(d)(4) states that the “Commission may not, by rule *or otherwise*, limit or extend the terms used in the competitive checklist . . .”⁴⁴ It is hard to fathom that Congress would have directed the Commission to apply every element of Section 271 strictly, and yet, as Petitioners contend, simultaneously permit the Commission to sweep away *all* Section 271 requirements through any action taken pursuant to Section 706. Moreover, Petitioners’ illogical view of an independent Section 706 regulatory forbearance authority would vest in the Commission almost unfettered discretion to eliminate those sections of the Act that are essentially the cornerstones of the Act’s procompetitive framework. Such a result is at odds with the legislative history of the Act, Congress’ policy objectives, and with established precedent on the FCC’s limited preemption authority.⁴⁵

Petitioners also contend that the Commission’s decision will impede local competition in the provision of advanced telecommunications services.⁴⁶ This contention, of course, is meaningless insofar as the Commission has correctly determined that Section 706 confers no

⁴⁴ 47 U.S.C. § 271(d)(4) (1996) (emphasis added).

⁴⁵ See MCI v. AT&T, 512 U.S. 218 (1994).

⁴⁶ SBC Petition at 8.

statutory authority to forbear from imposing the requirements of Sections 251 and 271 strictly against the incumbents LECs. Congress called upon the Commission to “promote local competition” when it enacted the Telecommunications Act of 1996 and prescribed very specific measures to ensure that competition was promoted. If Congress imbued the 1996 Act with any cohesion and statutory logic, which we are obligated to assume,⁴⁷ then Petitioners’ suggestion that the Commission may upend through a Section 706 proceeding Congress’ very detailed plan to achieve local competition is utterly untenable.⁴⁸ Accordingly, Petitioners’ pleas must be denied.

⁴⁷

It is generally understood that a statute is passed as a whole and not in parts or sections and is animated by one general purpose and intent. Such can certainly be said of the Telecommunications Act of 1996. Consequently, each part or section should be construed in connection with every other part or section so as to produce an harmonious whole. See, e.g., In re Public Bank of New York, 278 U.S. 555 (1928); Federal Power Commission v. Panhandle Eastern Pipe Line Co., 337 U.S. 498 (1949); Western Pacific R. Corp. v. United States, 345 U.S. 247 (1953); Richards v. United States, 369 U.S. 1 (1962); Smith v. United States, 508 U.S. 223 (1993). Thus, it is improper for Petitioners to confine their interpretation to Section 706 while disregarding the plain mandate of the remainder of the Act. See, e.g., Harrison v. Northern Trust Co., 317 U.S. 476 (1943); Markham v. Cabell, 326 U.S. 404 (1945); Johansen v. United States, 343 U.S. 427 (1952); NLRB v. Lion Oil Co., 352 U.S. 282 (1957); United States v. Thompson, 82 F.3d 849 (9th Cir. 1996) (holding that, in construing a term used in a statute, the court must consider not only the bare meaning of the word but also its placement and purpose in the statutory scheme).

⁴⁸

Statutes must be construed to further the intent of the legislature as evidenced by the entire statutory scheme. See, e.g., Sterling Federal Systems, Inc. v. Goldin, 16 F.3d 1177 (Fed. Cir. 1994). Moreover, a statutory section may not be considered in a vacuum, but must be considered in reference to the statute as a whole. See, e.g., United States v. McCord, 33 F.3d 1434 (5th Cir. 1994).

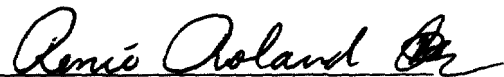
Conclusion

The deployment of advanced telecommunications capability to all Americans, as is the Commission's charge, is contingent on the ability of competitive and innovative providers of advanced telecommunications services to enter the market assured of ready access to those elements of the existing telecommunications infrastructure integral to the provision of advanced services. Those elements most certainly include the provision of unencumbered local loops and the procompetitive safeguards embodied in Section 251 and 271 of the 1996 Act. For the foregoing reasons, Transwire respectfully urges the Commission to dismiss the Petitions of Bell Atlantic and SBC *et al.* Requesting reconsideration and/or clarification of its *Advanced Order* with regard to these vital issues.

Respectfully submitted,

TRANSWIRE COMMUNICATIONS, INC.

By:

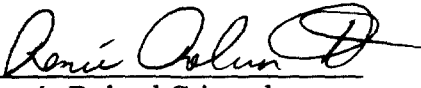

Randall B. Lowe
Julie A. Kaminski
Renée Roland Crittendon
J. Todd Metcalf
Piper & Marbury L.L.P.
1200 Nineteenth Street, NW
Washington, DC 20036
(202) 861-3900

Its Attorneys

Date: October 5, 1998

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Opposition of Transwire Communications, Inc. was sent via first class mail or hand delivery to the individuals on the attached service list, this 5th day of October, 1998.



Renée Roland Crittendon

J Manning Lee	Teleport Communications Group, Inc.	Two Teleport Drive Suite 300 Staten Island, NY 10311
Mark C. Rosenblum	AT&T Corp	292 North Maple Avenue Room 5460C2 Basking Ridge, NJ 07920
Genevieve Morelli	Executive Vice President & General Counsel Competitive Telecommunications Association	1919 M Street, N.W. Suite 800 Washington, DC 20036
Brad E Mutschelknaus	Kelley Drye & Warren LLP	1200 19 th Street, N.W. Suite 500 Washington, DC 20036
Keith Townsend	United States Telephone Association	1401 H Street, N.W. Suite 600 Washington, DC 20005
Steven Gorosh	Vice President & General Counsel Northpoint Communications, Inc.	222 Sutter Street San Francisco, CA 94108
Riley M. Murphy	Vice President & General Counsel E.Spire Communications, Inc.	131 National Business Parkway Suite 100 Annapolis Junction, MD 20701
Catherine R. Sloan	Worldcom Inc.	1120 Connecticut Avenue, N.W. Suite 400 Washington, DC 20036
Jonathan E. Canis	Kelley Drye & Warren LLP Counsel for Intermedia Communications, Inc.	1200 19 th Street, N.W. Suite 500 Washington, DC 20554
Robert W. McCausland	Vice President Regulatory & Interconnection Allegiance Telecom	1950 Stemmons Freeway Suite 3026 Dallas, Texas 75207-3118
Kevin Timpane	Vice President Public Policy Firstworld Communications, Inc.	9333 Genessee Avenue Suite 200 San Diego, CA 92121
Jeffrey Blumenfeld	Counsel for Rhythms Netconnections, Inc.	1615 M Street, N.W. Suite 700 Washington, DC 20036
Anne K. Bingaman	LCI International Telecom Corp	8180 Greensboro Drive Suite 800 McLean, VA 22102
Leon M. Kenstenbaum	Spring Corporation	1850 M Street, N.W.

		11 th Floor Washington, DC 20036
Cindy Z. Schonhaut	Senior Vice President of Government Affairs & External Affairs ICG Communications, Inc.	161 Inverness Drive Englewood, CO 80112
Peter A. Rohrbach	Hogan & Hartson LLP Counsel for LCI International Telecom Corp.	555 Thirteenth Street, N.W. Washington, DC 20004
David J. Newburger	Newburger & Vossmeier Counsel for Campaign for Telecommunications Access	One Metropolitan Square Suite 2400 St. Louis, MO 63102
Charles C. Hunter	Hunter Communications Law Group Counsel for Telecommunications Resellers Association	1620 I Street, N.W. Suite 701 Washington, DC 20006
Albert H. Kramer	Dickstein Shapiro Morin & Oshinsky LLP Counsel For ICG Telecom Group, Inc.	2101 L Street, N.W. Washington, DC 20037-1526
Kecia Boney	MCI Telecommunications Corp.	1801 Pennsylvania Avenue, N.W. Washington, DC 20006
Anthony C. Epstein	Jenner & Block	601 13 th Street 12 th Floor South Washington, DC 20005
W Scott McClough	McCollough & Associates PC	1801 North Lamar Suite 104 Austin, TX 78701
Russell M. Blau	Swidler & Berlin Chtd Counsel For KMC Telecom Inc.	3000 K Street, N.W. Suite 300 Washington, DC 20007
M. Robert Sutherland	Bellsouth Corporation	1155 Peachtree Street, N.W. Suite 1700 Atlanta, GA 30309-3610
Frank Michael Panek	Ameritech	2000 W. Ameritech Center Drive Room 4H84 Hoffman Estates, IL 60196
Kevin Sievert	MCI Communications Local Network Technology	400 International Parkway Richardson, TX 75081
Dana Frix	Swidler & Berlin Chtd Counsel for Hyperion Telecommunications, Inc.	3000 K Street, N.W. Suite 300 Washington, DC 20007-5116
Steven M. Hoffer	Coalition Representing Internet Service Providers	95 Mariner Green Drive Corte Madera, CA 94925
Thomas M. Koutsky	Assistant General Counsel	6849 Old Dominion Drive

	Covad Communications Company	Suite 220 McLean, VA 22101
Lawrence G. Malone	General Counsel State of NY Department of Public Service	Three Empire State Plaza Albany, NY 12223-1350
L. Marie Guillory	National Telephone Cooperative Association	2626 Pennsylvania Ave., NW Washington, DC 20037
Riley M. Murphy	Vice President & General Counsel E.Spire Communications, Inc.	131 National Business Parkway Suite 100 Annapolis Junction, MD 20701
Charles Hunder	Hunter Communications Law Group	1620 I Street, N.W. Suite 701 Washington, DC 20006
Christopher W. Savage	Cole Raywid & Braverman Counsel for COMCAST Corporation	1919 Pennsylvania Avenue, NW Suite 200 Washington, DC 20006
Robert W. McCausland	Vice President Regulatory & Interconnection Allegiance Telecom, Inc.	1950 Stemmon Freeway Suite 3026 Dallas, TX 75207-3118
Peter Arth, Jr.	Mary Mack ADU	505 Van Ness Avenue San Francisco, CA 94102
International Transcription Services, Inc.		1231 20 th Street, N.W. Washington, DC 20036
Maureen Lewis	General Counsel Alliance For Public Technology	901 15 th Street, N.W. Washington, DC 20038-7146
Robert B. McKenna	US West Communications, Inc.	1020 19 th Street, N.W. Suite 700 Washington, DC 20036
Ronald L. Plessner	Piper & Marbury, LLP Counsel for Commercial Internet Exchange Association	1200 19 th Street, N.W. Washington, DC 20036
Angela Ledford	Keep America Connected!	P.O. Box 27911 Washington, DC 20005
Competitive Pricing Division	Federal Communications Commission	1919 M Street, N.W. Room 518 Washington, DC 20554
Mark C. Rosenblum	AT&T	295 North Maple Avenue Room 3252J1 Basking Ridge, NJ 07920
Frank Michael Panek	Ameritech	2000 West Ameritech Center

		Drive Room 4H84 Hoffman Estates, IL 60196
Economic Strategy Institute		1401 H Street, N.W. Suite 750 Washington, DC 20005
Peter A. Rohrbach	Hogan & Hartson LLP Counsel for LCI Internation Corp.	555 13 th Street, N.W. Washington, DC 20004
Richard J. Metzger	Association for Local Telecommunications Services	888 17 th Street, N.W. Suite 900 Washington, DC 20006
Karen Peltz Strauss	Legal Counsel for Telecommunications Polich National. Association of the Deaf	814 Thayer Avenue Silver Spring, MD 20910
Leon M. Kestenbaum	Sprint Corporation	1850 M Street, N.W. 11 th Floor Washington, DC 20036
M. Robert Sutherland	Bellsouth Corporation	1155 Peachtree Street, N.W. Atlanta, GA 30309
Catherine R. Sloan	Worldcom Inc.	1120 Connecticut Avenue, N.W. Suite 400 Washington, DC 20036
Kecia Boney	MCI Telecommunications Corporation	1801 Pennsylvania Avenue, N.W. Washington, DC 20006
Charles D. Gray	National Association of Regulatory Utility Commissioners	1100 Pennsylvania Avenue Suite 608 P.O. Box 684 Washington, DC 20044
Mary McDermott	United States Telephone Association	1401 H Street, N.W. Suite 600 Washington, DC 20005
Gail L. Polivy	GTE Service Corporation	1850 M Street, NW Washington, DC 20036
Eric R. Olbeter	Economic Strategy Institute	1401 H Street, N.W. Suite 750 Washington, DC 20005
Ronald Plesser	Piper & Marbury LLP Counsel for Commerical Internet Exchange Association	1200 19 th Street, N.W. Washington, DC 20036
Dr. Janet K. Poley	University of Nebraska C218 Animal Sciences	P.O. Box 830952 Lincoln, NE 68583
David W. Zeisger	Independent Telephone &	1300 Connecticut Avenue,